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**VILLAGE OF WALTHALL, MISSISSIPPI**  
**COMPILATION REPORT**  
**SEPTEMBER 30, 2003**



VILLAGE OF WALTHALL, MISSISSIPPI  
Compiled Financial Statements  
September 30, 2003

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**WATKINS, WARD AND STAFFORD**  
**Professional Limited Liability Company**  
**Certified Public Accountants**

James L. Stafford, CPA	Mort Stroud, CPA
Harry W. Stevens, CPA	Gary C. Hamilton, CPA
Boyd M. Edwards, CPA	R. Steve Sinclair, CPA
Paul A. Ray, CPA	Michael L. Pierce, CPA
S. Keith Winfield, CPA	Marsha L. McDonald, CPA
William B. Staggers, CPA	Wanda S. Holley, CPA
Aubrey R. Holder, CPA	Robin Y. McCormick, CPA/PFS
David M. Howell, CPA	J. Randy Scrivner, CPA
Michael W. McCully, CPA	Kimberly S. Caskey, CPA

Board of Alderman  
Village of Walthall, Mississippi  
Walthall, Mississippi

We have compiled the accompanying combined statement of receipts and disbursements – cash basis of the Village of Walthall, Mississippi for the year ended September 30, 2003, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The financial statement has been prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

A compilation is limited to presenting in the form of a financial statement information that is the representation of management. We have not audited or reviewed the accompanying financial statement and, accordingly, do not express an opinion or any other form of assurance on it.

Eupora, Mississippi  
May 4, 2004

*Watkins, Ward and Stafford, PLLC*

VILLAGE OF WALTHALL, MISSISSIPPI  
Combined Statement of Cash Receipts and Disbursements (All Funds)  
For the Fiscal Year Ended September 30, 2003

	Governmental Funds <u>General</u>	Proprietary Funds	Totals (Memorandum Only) <u>2003</u>
Revenue Receipts:			
General property taxes	\$ 4,239	\$ -	\$ 4,239
Licenses and permits	60	-	60
Other	33	-	33
Franchise tax and utilities	1,627	-	1,627
Intergovernmental revenues:			
State shared revenues:			
Sales tax	23,306	-	23,306
Gasoline tax	478	-	478
Homestead	443	-	443
Fire protection	768	-	768
Municipal aid	89	-	89
TVA - in lieu of tax	951	-	951
Charges for Services:			
Sewer utility	-	8,162	8,162
Rental	<u>250</u>	<u>-</u>	<u>250</u>
 Total Receipts	 32,244	 8,162	 40,406
Other Receipts:			
Transfers	-	2,000	2,000
Interest income	<u>1,541</u>	<u>189</u>	<u>1,730</u>
 Total Receipts	 33,785	 10,351	 44,136
 Cash Balance - Beginning of Year	 <u>61,905</u>	 <u>2,327</u>	 <u>64,232</u>
 <b>Total Amount to Account For</b>	 <b>\$ <u>95,690</u></b>	 <b>\$ <u>12,678</u></b>	 <b>\$ <u>108,368</u></b>

See accompanying notes and accountants' compilation report.

VILLAGE OF WALTHALL, MISSISSIPPI  
Combined Statement of Cash Receipts and Disbursements (All Funds) (Continued)  
For the Fiscal Year Ended September 30, 2003

	Governmental Funds General	Proprietary Funds	Totals (Memorandum Only) 2003
Operating Disbursements:			
General government	\$ 23,941	\$ -	\$ 23,941
Public safety:			
Police	1,889	-	1,889
Fire	768	-	768
Street lights	2,996	-	2,996
Enterprises:			
Sewer operating cost	-	5,246	5,246
Interest on mortgage - sewer	-	2,581	2,581
Total Operating Disbursements	29,594	7,827	37,421
Other Disbursements:			
Transfers	2,000	-	2,000
Mortgage payments - sewer	-	2,363	2,363
Investments - certificates of deposit	1,541	189	1,730
Total Disbursements	33,135	10,379	43,514
Cash Balance - End of Year	62,555	2,299	64,854
<b>Total Amount Accounted For</b>	<b>\$ 95,690</b>	<b>\$ 12,678</b>	<b>\$ 108,368</b>

See accompanying notes and accountants' compilation report.



VILLAGE OF WALTHALL, MISSISSIPPI  
Notes to Financial Statement  
September 30, 2003

**Note A: Summary of Significant Accounting Policies**

General Information

The Village operates under the mayor/board of alderman form of government and provides services as authorized by state statute.

Reporting Entity

The financial statement of the Village consists of all the funds of the Village.

Fund Accounting

The accounts of the Village are organized on the basis of funds, each of which is considered a separate accounting entity.

Basis of Accounting

The financial statement is prepared on a cash receipts and disbursements basis, as prescribed by the Office of the State Auditor. Consequently, certain revenues are recognized when received rather than when earned, and certain expenses are recognized when paid rather than when the obligation is incurred.

**Note B: Report Classifications**

Receipts and disbursements were classified according to requirements for small towns in the State of Mississippi as prescribed by the Office of the State Auditor.

VILLAGE OF WALTHALL, MISSISSIPPI  
Schedule of Investments (All Funds)  
September 30, 2003

Ownership	Type of Investment	Interest Rate	Acquisition Date	Maturity Date	Other Information	Investment Cost/Value
General Fund	Certificate of Deposit	1.05%	10/03/02	10/03/03	Union Planters Bank	\$ 110,907
Enterprise Fund	Certificate of Deposit	0.75%	10/12/02	10/12/03	Union Planters Bank	6,819
Enterprise Fund	Certificate of Deposit	1.05%	10/03/02	10/03/03	Union Planters Bank	5,411
Enterprise Fund	Certificate of Deposit	1.35%	11/30/02	11/30/03	Union Planters Bank	3,112
Enterprise Fund	Savings Account	0.05%	Various	N/A	Union Planters Bank	<u>729</u>
						<u>\$ 126,978</u>

**Total Investments**

VILLAGE OF WALTHALL, MISSISSIPPI  
Schedule of Long-Term Debt  
For the Fiscal Year Ended September 30, 2003

Balance Outstanding <u>Oct. 1, 2002</u>	Transactions During Fiscal Year <u>Issued</u>	<u>Redeemed</u>	Balance Outstanding <u>Sept. 30, 2003</u>
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**Definition and Purpose**

Sewer system note payable to  
Farmers Home Administration.  
Note issued 11/7/85 in an  
original amount of \$80,000  
due in monthly installments  
of \$412.00

\$	<u>52,694</u>	\$	<u>-</u>	\$	<u>( 2,363)</u>	\$	<u>50,331</u>
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VILLAGE OF WALTHALL, MISSISSIPPI  
Schedule of Surety Bonds for Village Officials  
September 30, 2003

<u>Name</u>	<u>Position</u>	<u>Surety</u>	<u>Bond Amount</u>
Letitia Abbott	City Clerk	None	\$ -
Sherry Henderson	Deputy City Clerk	Brierfield	\$ 10,000
Benny Neal	Marshall	Brierfield	\$ 50,000
Rodney Crowell	Marshall Pro/tem	RLI Surety	\$ 25,000
Belinda Stewart	Mayor	RLI Surety	\$ 50,000



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J. Randy Scrivner, CPA  
Kimberly S. Caskey, CPA

Board of Alderman  
Village of Walthall, Mississippi

We have applied certain agreed-upon procedures, as discussed below, to the accounting records of the Village of Walthall, Mississippi, as of September 30, 2003, and for the year then ended, as required by the Office of the State Auditor, under the provisions of Section 21-35-31, Miss. Code Ann. (1972). It is understood the report is solely for the use of the governing body of the Village of Walthall, Mississippi, and the Office of the State Auditor and should not be used for any other purposes. Our procedures and findings are as follows:

1. We reconciled cash on deposit with the following banks to balances in the respective general ledger accounts and obtained confirmation of the related balances from the banks:

<u>Bank</u>	<u>Fund</u>	<u>Balance per General Ledger</u>
Union Planters Bank	General	\$ 62,555
Union Planters Bank	Enterprise	2,299
Union Planters Bank	Crime Prevention	2,554

2. We confirmed certificates of deposit and savings accounts with the bank and traced them to balances in the respective general ledger accounts:

<u>Bank</u>	<u>Fund</u>	<u>General Ledger Cost</u>
Union Planters Bank	General	\$ 110,907
Union Planters Bank	Enterprise	16,071

3. We performed the following procedures with respect to taxes on real and personal property (including motor vehicles) levied during the fiscal year:
  - a. Verified use of certified county assessment rolls and traced levies to governing body minutes;
  - b. Examined uncollected taxes for proper handling, including tax sales;
  - c. Traced distribution of taxes collected to proper funds; and
  - d. Analyzed increase in taxes for most recent period for completion with increase limitations of Sections 27-39-320 to 27-39-323, Miss. Code Ann. (1972).

The distribution of taxes to funds was found to be in accordance with prescribed tax levies, and uncollected taxes were determined to be properly handled.

Ad valorem tax collections were found to be within the limitations of Sections 27-39-320 to 27-39-323, Miss. Code Ann. (1972), as there was no increase in millage for 2003.

4. We obtained a statement of payments made by the Department of Finance and Administration to the municipality. Payments indicated were traced to deposit in the respective bank accounts and recorded in the general ledger without exception. Payments traced were as follows:

<u>Payment Purpose</u>	<u>Receiving Fund</u>	<u>General Ledger Amount</u>
Sales Tax Allocation	General Fund	\$ 23,306
General Municipal Aid	General Fund	89
Fire Protection	Special Revenue	768
TVA – In Lieu of Taxes	General Fund	951
Homestead Exemption	General Fund	443
Gasoline Tax	General Fund	478

5. We selected a sample of purchases made by the municipality during the fiscal year. Each sample item was evaluated for compliance with purchasing requirements set forth in Title 31, Chapter 7, Miss. Code Ann. (1972), as applicable.

The sample consisted of the following:

Number of Sample Items	5
Total Dollar Value of Sample	\$ 4,323

We found the municipality's purchasing procedures to be in agreement with the requirements of the above-mentioned sections.

6. We have read the Municipal Compliance Questionnaire completed by the municipality. The following responses to the questionnaire indicate noncompliance with state requirements.

Section 21-15-38, Miss. Code Ann. (1972), set the surety bond requirements for the municipal clerk in the amount of \$50,000. At September 30, 2003 the Municipal Clerk was not bonded.

Sections 21-33-53 and 21-33-63, Miss. Code Ann. (1972), require municipalities to collect and to sell property for non-payment of ad valorem taxes in the same manner as provided for Mississippi counties. Section 27-41-9 requires interest be collected on delinquent taxes and Sections 27-41-15 and 27-41-59 provide for the sale of property for unpaid taxes. Per review of the Municipal Compliance Questionnaire and work performed the Village of Walthall does not collect interest on delinquent taxes and does not perform the sale of property for unpaid taxes.

Because the above procedures do not constitute an audit in accordance with generally accepted auditing standards, we do not express an opinion on any of the specific accounts or classes of transactions referred to above. In connection with the procedures referred to above, no matters came to our attention that caused us to believe the items specified in Paragraphs 1, 2 and 3 should be adjusted. Had we performed additional procedures or had we conducted an audit of the financial statements in accordance with generally accepted auditing standards, matters might have come to our attention that would have been reported to you. This report should not be associated with the financial statements of the Village of Walthall, Mississippi, for the year ended September 30, 2003

Eupora, Mississippi  
May 4, 2004

*Watkins, Ward and Stafford, PLLC*

VILLAGE OF WALTHALL, MISSISSIPPI  
Additional Information  
Year Ended September 30, 2003

**DEFINED BENEFIT PLAN**

**Plan Description**

The Village of Walthall contributes to the Public Employees' Retirement System of Mississippi (PERS), a cost sharing multiple-employer defined benefit pension plan. PERS provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by State law and may be amended only by the State of Mississippi Legislature. PERS issues a publicly available financial report that includes financial statements and required supplementary information. That information may be obtained by writing to Public Employee Retirement System, PERS Building, 429 Mississippi Street, Jackson, MS 39201-1005, or by calling 601-359-3589 or 1-800-444-PERS.

**Funding Policy**

PERS members are required to contribute 7.25% of their annual covered salary and the Village of Walthall is required to contribute at an actuarially determined rate. The current rate is 9.75% of annual covered payroll. The contribution requirement of PERS members are established and may be amended only by the State of Mississippi Legislature. The Village of Walthall contributions to PERS for the year ended September 30, 2003, was \$729.18.